

ESTIMATED REVENUES

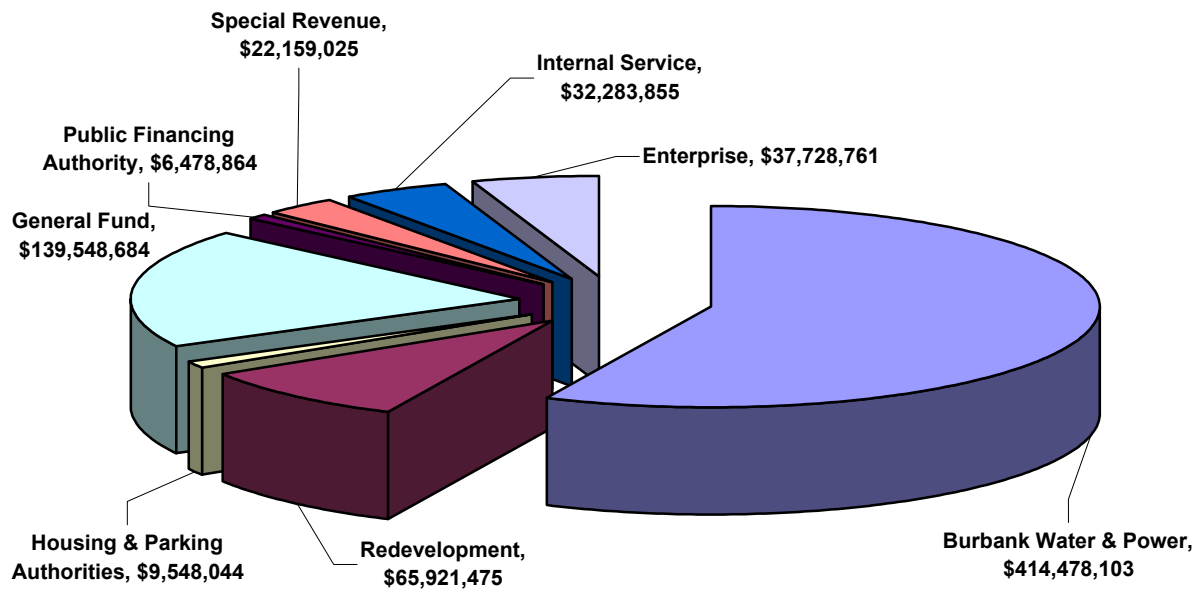
This section presents the Adopted FY 2007-08 City of Burbank estimated revenues for all funds. The section is organized as follows:

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CITY OF BURBANK REVENUE SUMMARY

FUND/FUND GROUP	ESTIMATED RESOURCES*
General Fund	\$139,548,684
Special Revenue Funds (incl. Cap. Projects Fund)	\$22,159,025
Internal Services Funds	\$32,283,855
Water Reclamation & Sewer	\$20,889,027
Golf Fund	\$2,152,506
Water and Electric (BWP)	\$414,478,103
Refuse Collection and Disposal	\$14,687,228
Redevelopment Agency	\$65,921,475
Public Financing Authority	\$6,478,864
Housing Authority	\$8,664,879
Parking Authority	\$883,165
TOTAL ALL FUNDS	\$728,146,811

* Resources represent the total sources available to each fund, such as taxes, fees, charges, sales, interest and use of fund balance (from bonds, depreciation and retained earnings).



TOTAL RESOURCES = \$728,146,811

CITY OF BURBANK REVENUE OVERVIEW

The Fiscal Year (FY) 2007-08 revenue budget was prepared using some basic assumptions about growth of projected revenues based on the Consumer Price Index and available economic data. General Fund revenues for FY 2007-08 are expected to increase by 7.2 percent over the original recurring revenue estimates from FY 2006-07. Much of this increase is due to (1) jet fuel being taxed at "wing tip" (commencing January 2008), thus allowing Burbank to realize sales tax revenue from those fueling their aircraft at the Bob Hope Airport (previously, sales tax was allocated to the city where the sales agreement was executed); (2) continued strong property tax revenue (property tax revenue lags behind the actual real estate market); and (3) expected increase in the Transient Occupancy Tax derived from the Marriot Extended Stay hotel.

Sales, Property and Utility Users Taxes (UUT) are the three largest sources of funds, representing 54 percent of General Fund revenues. All of these categories all have projected revenue increases over the original FY 2006-07 estimates: Sales tax (7.9 percent; net of anticipated loss of 1.0 percent to e-commerce), property taxes (9 percent assessed valuation growth), and utility users taxes (4.5 percent). It is essential that the City continue monitoring proposed State and Federal legislation related to UUT as current legislative proposals may threaten this revenue stream to the City. As Internet technology advances, combining phone and video services, the City of Burbank is concerned about the potential for regulatory changes that will restrict the ability to protect the "time, manner and place" of the use of public rights-of-way, as well as their ability to charge fees and taxes to pay for related local services. The latest development is that the FCC has classified voice-over-the-internet phone service as "data," therefore, disallowing localities to tax it as a telephone utility.

In FY 2004-05, the State redirected one-quarter cent of the local Sales Tax to the State to pay deficit retirement bonds. In exchange, it has fully offset local government revenue by redirecting a commensurate amount of Property Tax from the Education Revenue Augmentation Fund (ERAF). Due to this change in allocation, 25 percent of Burbank's prior year's Sales Tax has been segregated into a separate revenue account.

State budget decisions and changing economic factors affect the City's revenues and may affect General Fund supported services. The Governor released his FY 2007-08 proposed State budget on January 10, 2007. State revenues are expected to grow to \$101 billion, a 7.2 percent increase from 2006-07. For cities, the proposed budget continues to fund various local programs. As of the publishing date of this budget, the State's budget has not been approved by the legislature.

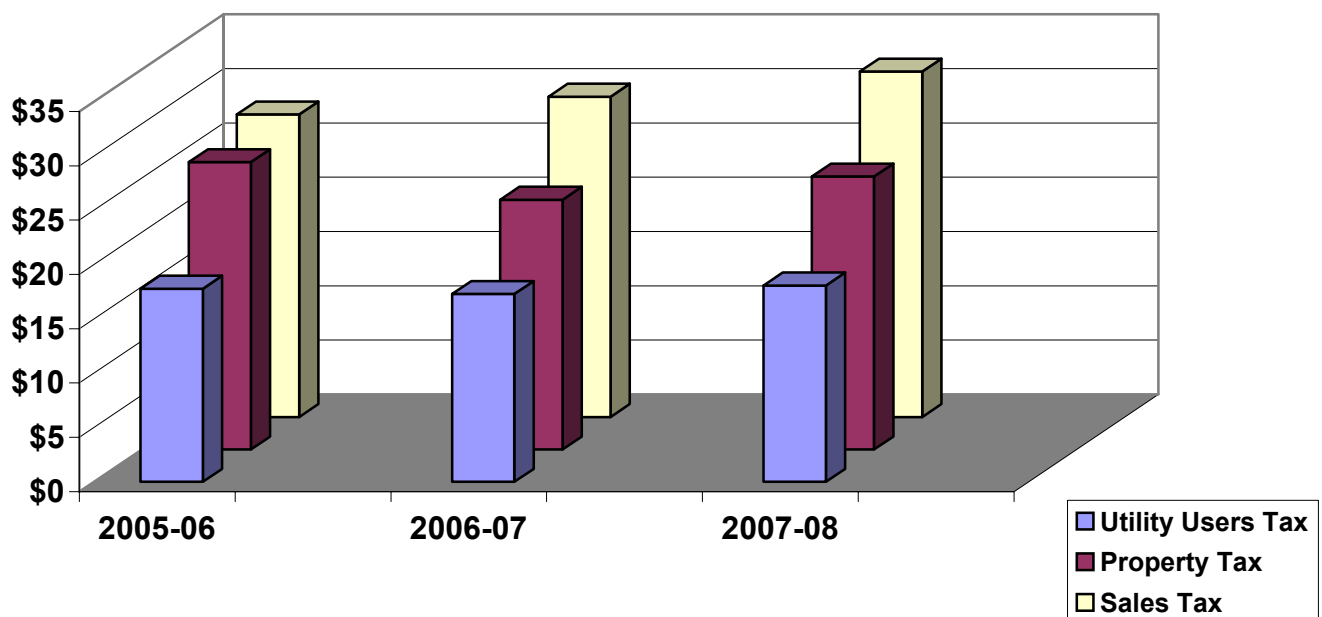
The highlights in the Governor's proposed budget for cities include: (1) Transportation: The Governor proposes a plan to implement the Proposition 1B transportation bond money passed on the November ballot. Over time, Proposition 1B will provide approximately \$7.1 billion directly to local governments, including an estimated \$3.4 million for Burbank (2) Public Safety: The Governor proposes in his budget to continue the Citizens' Option for Public Safety (COPS)/ Juvenile Justice Grants. The budget includes \$238 million for this program, fully funding it. The money goes directly to enhancing public safety services. (3) Housing: To implement Proposition 1C, the housing bond measure passed by the voters in 2006, the Governor's budget includes \$654 million in Proposition 1C funds for California's housing needs.

The City of Burbank continues to strive to provide the highest quality of service by taking into consideration the concerns and interests of the past year, and integrating these into a vision dedicated to meeting the needs of our citizens. This is accomplished by making fiscally responsible decisions (structuring a solid forecasting model) that will ultimately strengthen the organization, thereby improving the financial integrity of our organization.

The General Fund provides for City services that citizens associate with local government. This includes safety services-Fire and Police, park, recreation and senior programs, library programs, planning, and building inspections. During FY 2006-07, a comprehensive review of fees was undertaken to ensure that costs are recouped as much as practical. The recommendations were incorporated into the fee schedule which is reviewed as part of the budget adoption process. It is important to note that while the City Council annually adopts a Fee Schedule outlining many of the fees charged within the City, the majority of General Fund revenue is beyond the City's control.

The City's economy continues to flourish with significant retail activity at the Burbank Empire Center. Home Depot and the Carmax Auto Supercenter continue to fulfill expectations to further boost Burbank's sales tax revenue. As mentioned above, UUT remains at risk due to pending federal and state legislation, particularly for the UUT's application to telecom companies. The City continues to monitor legislation that impacts operations.

TOP GENERAL FUND REVENUE CATEGORIES \$ in millions



FINANCIAL FORECASTING

Each year as part of the annual budget process, Financial Services provides an update to the General Fund's Five-Year Financial Forecast. These forecasts portray what is anticipated in the future, based on stated assumptions, and are only as reliable as the underlying assumptions. The intended purpose of this process is to gain an understanding of long-term financial trends, thus allowing the City to make informed financial decisions during the budget process while understanding the future financial impacts, particularly for recurring appropriations. Revenue assumptions are updated annually and throughout the year based on current results and anticipated trend. The Forecast includes estimated revenues from economic development projects that are expected to come on-line during the five year forecast.

CITY OF BURBANK
REVENUE SUMMARY- ALL FUNDS (RECURRING & NON-RECURRING)*
FY 2002-03 through FY 2007-08

	FY 2002-03 ACTUAL	FY 2003-04 ACTUAL	FY 2004-05 ACTUAL	FY 2005-06 ACTUAL	FY 2006-07 ADOPTED	FY 2007-08 ADOPTED
CITY GOVERNMENTAL FUNDS						
<i>General Fund, Fund 001</i>	\$113,239,728	\$ 124,502,529	\$ 126,080,397	\$136,016,554	\$ 131,169,232	139,548,684
<i>Proposition A, Fund 104</i>	1,402,780	1,775,751	1,744,127	1,926,423	2,065,719	2,168,612
<i>Proposition C, Fund 105</i>	1,199,889	1,268,507	2,022,078	1,544,000	1,592,193	1,858,409
<i>AQMD, Fund 106</i>	117,059	121,281	156,778	137,339	169,636	175,271
<i>Operating Grants, Fund 121</i>	510,035	333,669	186,040			268,300
<i>CDBG, Fund 122</i>	1,462,885	1,454,849	1,386,698	2,325,687	1,603,646	1,630,465
<i>Drug Asset Forfeiture, Fund 124</i>	175,488	220,557	221,875	230,841	152,177	163,281
<i>State Gas Tax, Fund 125</i>	2,412,601	2,608,251	2,031,183	2,487,677	2,267,332	2,197,503
<i>Public Improvement, Fund 127</i>	2,082,467	2,010,944	3,601,437	9,783,058	7,058,538	2,081,450
<i>HOME Program, Fund 128</i>	366,639	1,201,898	1,550,758	994,686	875,000	894,000
<i>Street Lighting, Fund 129</i>	1,682,200	1,920,633	2,058,463	1,837,000	2,116,000	2,317,496
<i>YES Fund, Fund 130</i>	503,030	523,387	629,446	829,760	1,308,886	1,273,238
<i>Community Service (BCSF), Fund 131</i>	10,190	1,861				
<i>Genl City Capital Projects, Fund 370</i>	5,076,449	33,121,940	5,508,768	9,925,515	4,341,730	7,131,000
PROPRIETARY FUNDS						
<i>Genl Liability Insurance, Fund 530</i>	3,825,304	5,287,540	6,078,596	5,798,649	4,327,760	4,851,955
<i>Workers Comp Insurance, Fund 531</i>	5,036,082	5,569,616	5,949,421	5,776,441	7,356,285	8,067,847
<i>Vehicle Equip Replacement, Fund 532</i>	6,257,579	7,948,295	6,349,996	8,599,907	8,987,123	8,791,013
<i>Office Equip Replacement, Fund 533</i>	1,178,601	797,630	925,633	993,049	1,429,460	855,687
<i>Municipal Bldg. Replacement, Fund 534</i>	2,493,336	2,535,703	2,436,876	2,573,252	2,906,077	3,234,876
<i>Communication Equip, Fund 535</i>	2,371,874	2,201,920	2,556,894	2,647,357	4,152,941	3,072,179
<i>Info Systems Replacement, Fund 537</i>	1,328,187	1,077,815	1,238,830	2,027,260	3,004,658	3,410,298
<i>Water Reclamation & Sewer, Fund 494</i>	13,340,199	13,123,678	13,167,180	13,946,550	19,443,682	20,889,027
<i>Golf, Fund 495</i>	2,220,471	2,034,524	2,002,032	1,930,145	3,139,461	2,152,506
<i>BWP, Magnolia Power Plant Fund 483</i>					26,277,722	28,524,355
<i>BWP, Electric Fund 496</i>	218,418,000	282,016,398	253,769,000	345,158,000	333,039,660	353,781,762
<i>BWP, Water Fund 497</i>	17,288,000	18,395,222	17,484,000	18,936,000	25,781,498	32,171,986
<i>Refuse Collection & Disposal, Fund 498</i>	10,826,906	10,501,854	11,135,549	11,529,369	13,638,951	14,687,228
REDEVELOPMENT AGENCY						
<i>Golden State Debt Svc, Fund 201</i>	16,668,169	27,222,693	14,646,128	17,826,335	16,359,118	20,610,697
<i>City Centre Debt Svc, Fund 202</i>	6,468,164	28,806,448	7,147,043	8,124,608	7,365,273	9,366,821
<i>West Olive Debt Svc, Fund 203</i>	7,107,368	6,510,069	6,127,897	8,124,608	7,134,177	8,105,522
<i>So San Fernando Debt Serv, Fund 204</i>	1,816,877	1,451,680	1,257,616	1,915,307	2,026,442	2,636,296
<i>Comm. Facilities District Debt Service, Fund 207</i>				6,359,379	302,438	302,438
<i>West Olive Cap Projects, Fund 303</i>	13,374,338	1,161,612	207,367	130,744	1,982,617	2,226,403
<i>Low/Moderate Housing, Fund 305</i>	6,459,547	8,137,117	6,705,485	10,590,795	7,481,056	11,692,427
<i>Merged Project Area, Fund 306</i>	42,954,848	32,008,171	22,412,344	8,732,902	6,537,962	10,980,871
PUBLIC FINANCING AUTHORITY						
<i>PFA Capital Projects, Fund 320</i>		22,095,945	5,756,019	3,578,664		6,478,864
HOUSING AUTHORITY						
<i>Housing Vouchers, Fund 117</i>	7,496,542	6,715,709	8,715,133	8,112,485	8,492,463	8,664,879
PARKING AUTHORITY						
<i>Parking Authority Debt Svc, Fund 210</i>	255,335	249,662	247,310	251,353	257,844	
<i>Parking Authority Cap Proj, Fund 310</i>	525,191	538,265	583,646	630,135	803,658	883,165
TOTAL	\$ 517,952,358	\$ 657,453,623	\$ 544,078,042	\$ 662,331,834	\$ 666,948,415	\$ 728,146,811

* Resources represent total sources available, including use of fund balance (from bonds, depreciation & retained earnings)

CITY OF BURBANK

REVENUE SUMMARY - RECURRING

Actual 2005-06	% OF TOTAL	Revised 2006-07	% OF TOTAL	Adopted 2007-08	% OF TOTAL
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GENERAL FUND 001

TAXES

Sales Tax	22,805,307	16.77%	22,434,629	17.27%	24,444,361	17.62%
Property Taxes	22,239,395	16.35%	22,436,649	17.27%	24,564,493	17.71%
Utility Users Tax (UUT)	18,786,813	13.81%	17,301,857	13.32%	18,079,306	13.03%
In Lieu Of Taxes - BWP	7,948,890	5.84%	7,787,332	6.00%	8,137,762	5.87%
Sales Tax Triple Flip In-Lieu	5,931,484	4.36%	7,068,693	5.44%	7,375,830	5.32%
Transient Occupancy Tax	5,632,367	4.14%	5,095,347	3.92%	5,449,852	3.93%
Transient Parking Tax	3,238,203	2.38%	3,038,000	2.34%	3,144,330	2.27%
Franchises	2,264,532	1.66%	1,115,425	0.86%	1,143,311	0.82%
Real Property Transfer Tax	796,791	0.59%	560,000	0.43%	565,600	0.41%
Total Taxes	89,643,780	65.91%	86,837,932	66.86%	92,904,845	66.98%

LICENSES & PERMITS

Business Tax	1,758,558	1.29%	1,710,000	1.32%	1,555,000	1.12%
Building Permits	2,991,598	2.20%	2,113,150	1.63%	2,229,537	1.61%
Other Licenses	45,857	0.03%	97,350	0.07%	44,580	0.03%
Other Permits	464,880	0.34%	284,824	0.22%	350,700	0.25%
Business Licenses	362,427	0.27%	198,500	0.15%	236,000	0.17%
Studio Filming Permits	114,997	0.08%	110,000	0.08%	140,400	0.10%
Total Licenses & Permits	5,738,317	4.22%	4,513,824	3.48%	4,556,217	3.28%

FINES, FORFEITURES, & PENALTIES

Parking Fines	2,025,110	1.49%	1,993,000	1.53%	1,990,000	1.43%
Traffic Fines	1,262,158	0.93%	800,000	0.62%	850,000	0.61%
Other Fines & Forfeitures	(0)	0.00%	72,000	0.06%	72,000	0.05%
Total Fines, Forfeitures & Penalties	3,287,268	2.42%	2,865,000	2.21%	2,912,000	2.10%

USE OF MONEY OR PROPERTY

Interest	1,530,073	1.12%	2,577,322	1.98%	2,766,054	1.99%
Advertising	309,593	0.23%	352,384	0.27%	391,387	0.28%
Donations	171,019	0.13%	121,000	0.09%	167,387	0.12%
Rental	40,495	0.03%	44,856	0.03%	52,136	0.04%
Miscellaneous	438,697	0.32%	56,946	0.04%	94,107	0.07%
Total Use Of Money Or Property	2,489,878	1.83%	3,152,507	2.43%	3,471,071	2.50%

INTERGOVERNMENTAL REVENUES

Motor Vehicle In Lieu Tax	7,611,186	5.60%	6,681,756	5.14%	7,055,935	5.09%
Grants-Park Rec & Comm Svcs	517,806	0.38%	521,263	0.40%	508,043	0.27%
Grants-Library	242,560	0.18%	248,089	0.19%	379,906	0.27%
Grants-Other	344,959	0.25%	160,705	0.12%	172,272	0.12%
Grants-Safety	626,747	0.46%	15,000	0.01%	62,000	0.04%
Total Intergovernmental Revenues	9,343,259	6.87%	7,626,813	5.87%	8,178,156	5.90%

INTRA-CITY SERVICE CHARGES

Indirect Charges	7,000,635	5.15%	7,324,538	5.64%	9,023,765	6.51%
Direct Charges	6,655,111	4.89%	6,649,061	5.12%	6,441,395	4.64%
Total Intra-City Service Charges	13,655,746	10.04%	13,973,599	10.76%	15,465,160	11.15%

CITY OF BURBANK REVENUE SUMMARY - RECURRING

Actual 2005-06	% OF TOTAL	Revised 2006-07	% OF TOTAL	Adopted 2007-08	% OF TOTAL
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SERVICE CHARGES

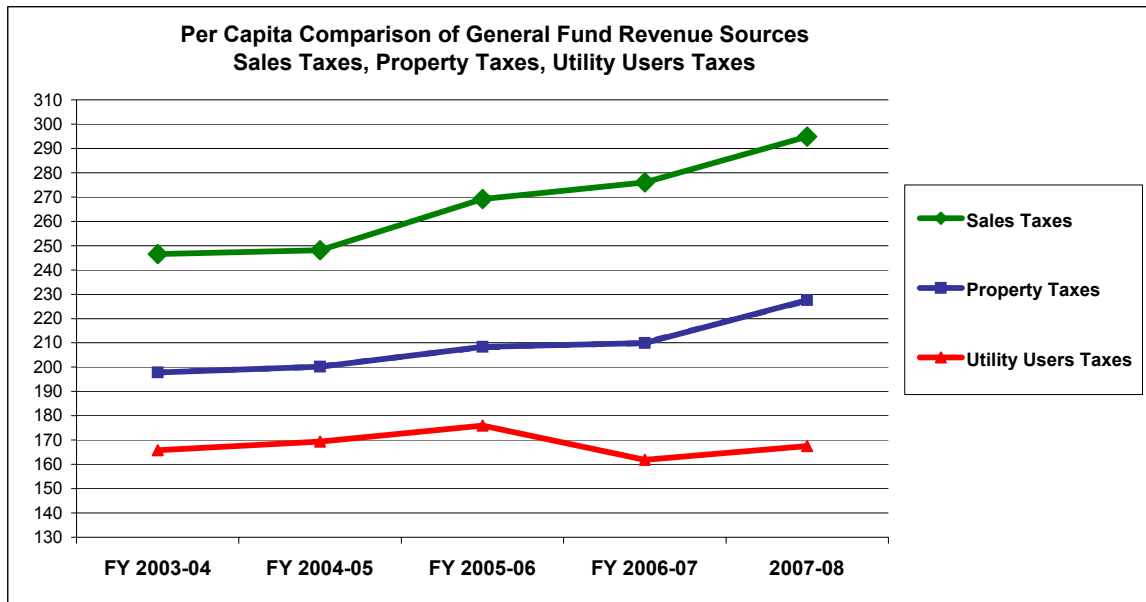
Other	1,206,223	0.89%	1,768,362	1.36%	2,023,076	1.46%
Recreation Fees	3,170,392	2.33%	3,048,033	2.35%	2,889,660	2.08%
Emergency Medical Services	1,470,779	1.08%	1,365,000	1.05%	1,415,000	1.02%
Plan Check Fees	1,868,318	1.37%	1,129,705	0.87%	1,231,070	0.89%
Safety Services Filing	914,523	0.67%	700,000	0.54%	780,000	0.56%
Encroachment Permits	589,804	0.43%	250,000	0.19%	225,000	0.16%
Environmental Impact Report	375,017	0.28%	(70,000)	-0.05%	200,000	0.14%
Traffic Signal Maintenance	630,000	0.46%	504,000	0.39%	504,000	0.36%
Total Service Charges	10,225,056	7.52%	8,695,100	6.69%	9,267,806	6.68%

OTHER CONTRIB FR OTHER FDS	1,625,785	1.20%	2,224,888	1.71%	1,959,879	1.41%
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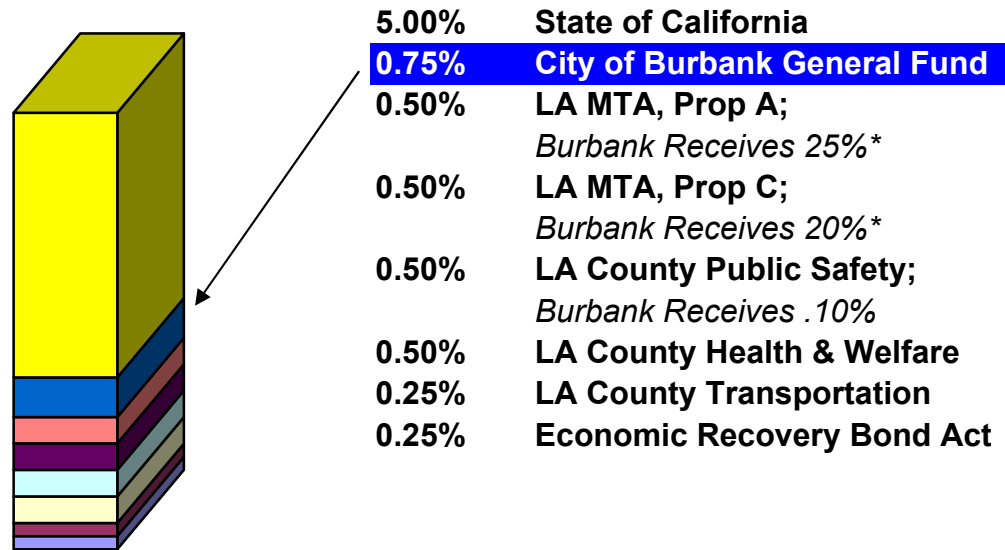
Total General Fund Recurring Revenue	136,009,089	129,889,663	138,715,134
Plus Non-Recurring Revenue	10,728	43,366	-
Use of Unrestricted Reserves*	*	1,764,000	833,550
TOTAL GENERAL FUND REVENUE	\$136,019,817	\$131,697,029	\$139,548,684

*Effective FY 2006-07, the non-recurring and unrestricted reserves is included to better illustrate the total resources used.

The following chart summarizes a comparison of the top three General Fund revenue sources on a per capita basis. Both sales taxes and property taxes have increased at a faster rate than population growth and the rate of inflation; and utility users taxes are somewhat flat, reflecting lower collections due to the competition from the wireless telephone industry.



Allocation of the Burbank Taxpayer's 8.25% Sales Tax



* This is referred to as "Local Return" dollars for Burbank Transportation Projects/Services. The City can also compete for a small portion of the remaining percentage for use on specific one-time transportation projects.

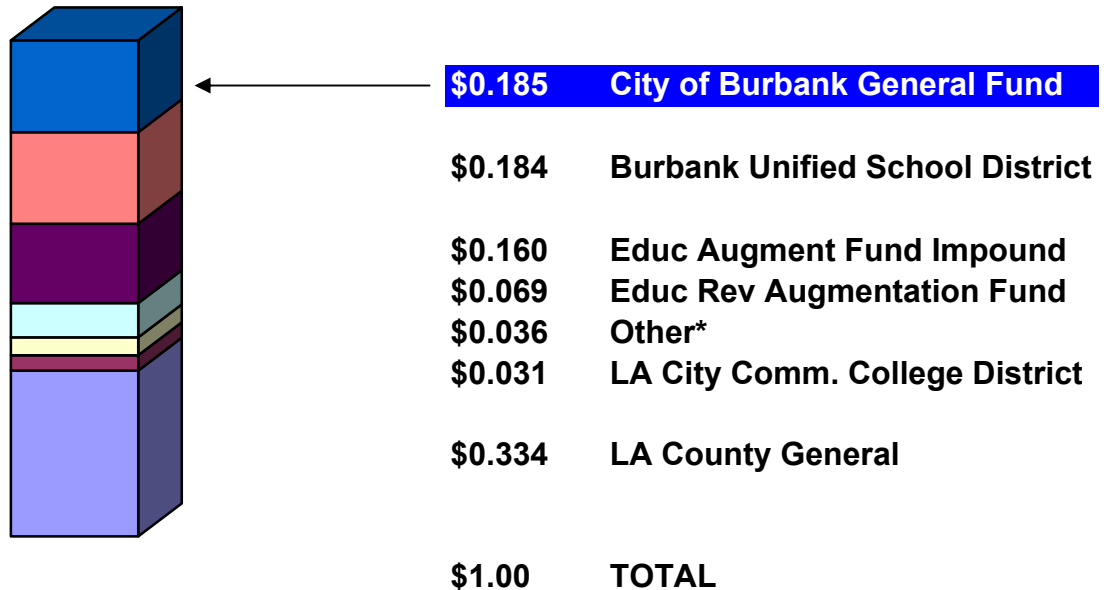
NOTE: Effective FY 2004-05, the State redirects one-quarter cent of Burbank's 1% Sales Tax portion to the State to pay deficit retirement bonds ("triple flip"). In exchange, it will fully offset local government revenue by redirecting a commensurate amount of Property Tax from the Education Revenue Augmentation Fund (ERAF). Due to this change in allocation, 25% of Burbank's prior year's Sales Tax has been segregated into a separate revenue account.

TOP SALES TAX PRODUCERS

(listed alphabetically)

Alamo National	K-Mart
Best Buy	Lowes
Carmax Auto Superstores California	Macys
Circuit City	Pacific Sales
Community Chevrolet	Sears & Great Indoors
Costco	Stock Building Supply
CVS Pharmacy	Target
Eastman Office Supplies	United Oil
Frys Electronics	Videotape Products
Fuji Medical Systems	Vons
Hertz	Walt Disney Pictures
Home Depot	Warner Bros. Studio Facilities
Ikea	

Allocation of the Burbank Taxpayer's Property Tax



* Includes LA County Flood Control Maintenance; County School Services Fund Burbank; LA County Fire-FFW; Children's Institutional Tuition Fund; LA County Flood Control District Improvement District Maintenance; Burbank Children's Center Fund; County School Services; Southeast Mosquito Abatement District; LA Community College Children's Center Fund; LA County Accumulative Capital Outlay.

NOTE: Effective FY 2004-05, the State restored the ERAF shift from property taxes but permanently reduced the vehicle license fee (VLF) backfill.

TOP PROPERTY TAXPAYERS (listed alphabetically)

Avalon Promenade Inc.
 Burbank Empire Investment Group Inc.
 Burbank Mall Associates LLC
 DB Real Estate
 National Broadcasting Company, Inc.
 PFH Burbank LLC
 Southern Doughnuts LLC
 Southwest Airlines
 Walt Disney Productions Inc./ABC TV
 Warner Bros. Entertainment Inc.

CITY OF BURBANK REVENUE SUMMARY GENERAL FUND – PRIMARY REVENUE SOURCES



The top three General Fund revenues are Sales Taxes, Property Taxes, and Utility Users Taxes. The City of Burbank's recurring revenues are anticipated to grow 7.2% over the Adopted Fiscal Year (FY) 2006-07 revenue projections. Most revenue categories are expected to grow or remain constant based on trend analysis of prior year's actual receipts. Overall, the financial prospects for revenue receipts remains positive.

due to its physical location crossing city lines) and the Carmax Auto Superstore both boosted Burbank's sales tax revenue.

Sales Tax is the largest source, and generally reflects the state of the economy. A review of the last ten years shows that sales tax revenues has mirrored the economy with steady growth except for the 1990 through 1992 period. Over the last six years, sales tax has grown at an average annual growth rate of 6.6%. The FY 2007-08 sales tax is expected to grow at a net (of e-commerce loss of 1%) 7.9% over the original FY 2006-07 estimate. Much of this increase is due to jet fuel being taxed at "wing tip" (commencing January 2008), thus allowing Burbank to realize sales tax revenue from those fueling their aircraft at the Bob Hope Airport (previously, sales tax was allocated to the city where the sales agreement was executed). Even though sales tax receipts are down for much of the country, Burbank's sales tax receipts remain strong. As noted earlier, due to the "triple flip" legislation, 25% of Burbank's prior year's Sales Tax has been segregated into a separate revenue account, earmarked for the sales tax for property tax swap to pay off the State's deficit bonds. It should be noted that cities are still losing approximately 1% of its sales tax revenue to e-commerce. The 1% loss factor is based on an economic analysis performed by the California State University at Long Beach for the City of Santa Monica.



In 1992, Proposition 163 became part of the California Constitution precluding the State, cities, counties, and special districts from imposing a sales or use tax on food products intended for home consumption.

Proposition 172 increased sales tax by ½ cent effective January 1, 1994 for local public safety. The tax is imposed by the State and distributed to cities and counties. The allocation basis is the proportionate loss from the property tax transfer enacted with the 1993-94 State budget. Funds may be forfeited if a city decreases funding for public safety services below funding in 1992-93. Burbank is in no immediate jeopardy of decreasing its funding.

The explosion of electronic commerce is a risk area to the future growth of the City's sales tax revenues. E-commerce continues to grow exponentially and it has two negative impacts to the City: (1) It shifts current sales tax revenues from Burbank businesses to internet companies. The City receives 1% of the taxable sales of Burbank businesses versus receiving a small portion of the County or State sales tax pools, if any; and (2) Encourages non-compliance of existing sales and use tax laws. Internet purchases are subject to either a sales (using the "brick and mortar" test) or use tax; however, the State Board of Equalization has no effective methodology for auditing individual use tax liability.

GENERAL FUND – PRIMARY REVENUE SOURCES, cont.

Local sales tax revenues from internet sales fall under Federal and State jurisdiction. The Federal government has extended the moratorium to November, 2007 (it had expired 2003) on establishing any new taxation of the electronic commerce. However, proposals exist to either permanently ban or to extend this ban on taxation at both the State and Federal levels. Also, many online retailers have voluntarily started charging sales tax. Staff closely monitors all activities relating to this issue.

Property Taxes have traditionally been a stable source of revenue for cities. The authority to levy property tax is stipulated within the California Constitution and the Revenue and Taxation Code. Property taxes are assessed on real property and tangible personal property within California.



A general ad valorem tax is imposed on real property (land and permanently attached improvements) and tangible personal property (movable property). The County administers distribution of this general tax revenue which is unrestricted. Properties are separated into two categories: Secured Property and Unsecured Property. Locally assessed real property is appraised at the base year value and adjusted each year after 1975 by the change in the Consumer Price Index not to exceed 2 percent. Re-appraisal may take place upon a change in ownership or new construction. Prior to adoption of Proposition 13 in 1978, a governmental entity could set a property tax rate annually. Post Proposition 13, a single countywide rate was effective set at 1 percent, and the state was given the authority to allocate property taxes within counties.

Due to the downturn of the California economy in the early 1990's, the Legislature set up an Educational Revenue Augmentation Fund (ERAF) in 1992-93. The Redevelopment Agency contributed \$2.4 million annually in property tax revenue to ERAF for local schools during FY 2004-05 and FY 2005-06, while the City's annual ERAF contribution was approximately \$1.9 million for FY 2004-05 and FY 2005-06, thus allowing the state to decrease its general fund commitment to local schools. FY 2007-08 is the second year after the passage of Proposition 1A that disallows the State from taking ERAF funds from both the City and the Redevelopment Agency, unless a State fiscal state of emergency is declared.

For FY 2007-08, staff is predicting a 9% increase in property tax revenue over FY 2006-07. However, since actual receipts lag the actual economic climate, staff estimates that a less aggressive amount of 3% in future years. The real estate market continues to be in transition as property values decline to a record number of foreclosures (due to subprime mortgages and/or property owners' inability to refinance due to decreased equity), and overall increased inventory.

Utility Users Tax has grown by an average annual rate of 5.7% for the past five years. This growth has been the result of the growth in telephonic communication such as cellular usage, increasing utility rates and aggressive collection efforts on the part of the City. FY 2007-08, UUT revenue is estimated to increase 4.5% due to the increased cost of retail electric and natural gas. It will be important for the City to continue monitoring proposed State and Federal legislation related to UUT as current legislative proposals may threaten this revenue stream to the City. As internet technology advances, combining phone and video services, the City of Burbank is concerned about the potential for regulatory changes that will restrict the ability to protect the "time, manner and place" of the use of public rights-of-way, as well as their ability to charge fees and taxes to pay for related local services. It is crucial for any pending legislation not to impact Burbank negatively as UUT is the third largest revenue source to the City's general fund.

CITY OF BURBANK

GENERAL FUND REVENUE DESCRIPTION SUMMARY

SALES TAXES

Sales Taxes are imposed on all applicable retail and commercial businesses selling goods in the City and represent the City's largest revenue source. This tax is based on the sales price of any taxable transaction relating to taxable personal property. In accordance with the City's Bradley-Burns Uniform Sales Tax ordinance, the Board of Equalization allocates the City's sales tax, 1% of taxable sales occurring in Burbank, to the City.

Beginning in FY 2004-05, the State redirected one-quarter cent of the local Sales Tax to the State to pay deficit retirement bonds. In exchange, it has fully offset local government revenue by redirecting a commensurate amount of Property Tax from the Education Revenue Augmentation Fund (ERAF). Due to this change in allocation, 25% of Burbank's prior year's Sales Tax has been segregated into a separate revenue account (Sales Tax Triple Flip In-Lieu), earmarked for this use.

Increased economic activity at the Burbank Town Center Mall, the Burbank Entertainment Village area and the Empire Center continue to contribute to the City's Sales Tax. The City's downtown district continues to undergo revitalization with additional retail shops, and restaurants. New economic development opportunities are planned for the Merged Redevelopment Project Area which includes the City Centre, Golden State and South San Fernando Redevelopment Project Areas. The City's long-term Sales tax revenue prospects remain positive. This fiscal year, effective January 2008, jet fuel will become taxable at wing-tip, thus providing the City with additional sales tax revenue. In FY 2007-08, sales tax is projected to increase by 7.9% over FY 2006-07.

PROPERTY TAXES

Property Taxes are one of the General Fund's top three revenue sources. This tax is imposed on real property (land and permanently attached improvements, such as buildings) and tangible personal property (such as airplanes) located within the City. In accordance with Proposition 13, a total tax of one percent (1%) is levied on the assessed value of property as determined by the Los Angeles County Assessor. The City of Burbank receives approximately 18.5% of the 1% tax imposed. FY 2007-08 Property Tax is expected to grow by 9% based on a projected increase in assessed valuation.

UTILITY USERS TAXES

The City levies **Utility Users Taxes** on electric sales, telephone usage (hardwired and cellular) and natural gas sales at the rate of seven percent (7%). Unlike other cities, Burbank does not apply this tax to water, cable television, sewer, and refuse collection usage/sales. The Utility Users Tax (UUT) remains a major source of General Fund revenue despite potential weakness caused by technological changes in telecommunications that may reduce the basis for taxation under this tax in the long-term. These impacts have been mitigated in the past through business expansion and increases in the cost of energy. It will be important for the City to continue monitoring proposed State and Federal legislation related to UUT as current legislative proposals may threaten this revenue stream to the City. As Internet technology advances, combining phone and video services, the City of Burbank is concerned about the potential for regulatory changes that will restrict the ability to protect the "time, manner and place" of the use of public rights-of-way, as well as their ability to charge fees and taxes to pay for related local services. It is crucial for any pending legislation not to impact Burbank negatively as UUT is the third largest revenue source to the City's general fund. Overall, FY 2007-08 UUT revenue is estimated to increase 4.5% due to increases in electric and natural gas retail sales.

CITY OF BURBANK
GENERAL FUND REVENUE DESCRIPTION SUMMARY, cont.

IN-LIEU OF TAXES

The City's Burbank Water & Power Department (BWP) pays the ***In-Lieu of Tax*** instead of paying a franchise fee. This revenue source represents a total charge of up to 7% on retail electric sales and 5% of all water sales. The electric sales charge is deposited into two funds: the General Fund (Fund 001) receives 5% and the Street Lighting Fund (Fund 129) receives up to 2%. The 5% water sales charge is deposited into the General Fund. In-Lieu of Taxes-BWP represents the sixth largest General Fund revenue.

TRANSIENT OCCUPANCY TAXES (T.O.T.)

The ***Transient Occupancy Tax (TOT)***, otherwise known as a "Bed Tax," is a 10% tax applied to the cost of occupying a room in a hotel, inn, motel, tourist home, or other lodging facility within the City's limits. This tax collects revenue for the use of City services by non-residents who would not likely otherwise contribute to the provision of these services. As a result of higher occupancy rates due to overall increase in the travel industry, this revenue source is anticipated to increase by 7% in FY 2007-08. In April 2007, the voters rejected a ballot measure that would have authorized the Council to raise the TOT from 10% to a maximum of 12%.

TRANSIENT PARKING TAXES (T.P.T.)

The ***Transient Parking Tax (TPT)***, was increased from 11% to 12% effective July 2005. It is charged to customers, and collected and remitted to the City by parking lot operators who charge for their services for parking for short periods of time (e.g., airport, businesses, hotels, and restaurants). Monthly (or long term parking), and medical facilities are exempt.

FRANCHISE FEES

Franchise Fees are imposed on various companies using "public rights-of-way" to conduct their business operations. Such fees include: A 5% Franchise Fee on cable television gross receipts; 1% fee on natural gas gross receipts; a 2% fee on receipts arising from electricity transmission by private companies; and, a 2% fee on receipts arising from the use of pipelines within the City.

BUSINESS TAXES

Business Taxes are imposed for the privilege of conducting business within the City. Business Taxes are considerably lower than many other Los Angeles County cities even though thousands of businesses operate in Burbank. Fees range from a flat amount applicable to specific business types to a graduated formula according to sales, number of employees and square footage. Staff anticipates a decline of 9.1% in FY 2007-08 as a "correction" to robust increases in previous years, then modest increases in future years.

CITY OF BURBANK
GENERAL FUND REVENUE DESCRIPTION SUMMARY, cont.

BUILDING PERMITS

Building Permits are required by the City to ensure that structures meet specific standards. The City requires various construction permits for activities such as the installation of electric, plumbing and sewage facilities. A fee is levied for these permits in order to recover only the costs incurred. Due to continued construction activity throughout the City, staff anticipates a moderate increase in this revenue source in future years. The California Constitution limits these fees to the cost reasonably borne by the City to provide the services.

LICENSES

Licenses are collected for certain types of activities within City boundaries such as Business Licenses, Horse Licenses or Dog Licenses. Revenue in this category remains steady.

PARKING FINES

Parking Fines issued by the Police Department represents a small portion of General Fund revenues. The City is exploring using a specialized firm to pursue the collection of long, outstanding parking fines in an effort to increase revenue.

TRAFFIC FINES

Traffic Fines are collected from moving violations issued by the Police Department. They are issued for both City and California Highway Patrol traffic violations, with the majority of the revenue going to the State of California.

INTEREST INCOME

Interest Income represents another significant revenue source. The City Treasurer invests idle funds in various investment instruments and the City's portfolio receives interest income. The main investment goal is to protect each investment while achieving the highest rate of return. The City Treasurer's goal is to achieve an average annual investment portfolio yield of 4.75% during FY 2007-08.

MOTOR VEHICLE IN-LIEU OF TAXES

Motor Vehicle In-Lieu of Taxes represent a State vehicle license fee imposed on California motorists for the privilege of operating a motor vehicle on the public highways. All motor vehicles registered in the State were subject to the 2% fee imposed in-lieu of property taxes. Cities, such as Burbank, received a portion of the fees collected on vehicles registered within their city limits based on each city's population. In 1998, the State had reduced the amount paid by vehicle owners and made up the difference ("backfilling") to local agencies. However, effective June 2003, the State stopped its backfill, but then reinstated it temporarily in December, 2003. Since then, the fees paid by motorists have been reduced permanently to .65% from 2%, and as part of the agreement with the Legislature, the backfill has been eliminated permanently.

CITY OF BURBANK
GENERAL FUND REVENUE DESCRIPTION SUMMARY, cont.

INTRA-CITY SERVICE CHARGES

Direct and Indirect Charges to Other Funds (Administrative Services): General Fund programs and staff provide services such as police protection, fire suppression and tree trimming, to a wide range of residents and businesses. However, some staff and services are utilized to support non-General Fund activities. Charges are derived from allocating the program and service costs and the respective departments are charged accordingly.

PLAN CHECK FEES

Plan Check Fees are charged to developers to cover a portion of the cost of processing building and structure plans. The fee is a percent of the permit and inspection fees for building construction, including new construction, additions or alterations to a building or structure. The California Constitution limits these fees to the cost reasonably borne by the City to provide the services.

SAFETY SERVICES FILMING

One of the benefits of having numerous studios and production companies within the City's boundaries is that hundreds of movies, television shows and commercials are filmed in Burbank every year. Location shoots require safety personnel to be available to manage traffic, watch over sets, and ensure that fire prevention regulations are enforced, among other duties. The City charges fees to the production companies to recoup its costs for providing this safety staffing.

INTERFUND TRANSFERS

Interfund Transfers or contributions from other funds are made to the General Fund for assorted purposes. Every year, the General Fund receives a contribution from the Gas Tax Fund (Fund 125) to offset the costs of staffing engineers and other support personnel for road construction projects. Interfund transfers are typically of a one-time nature.

CITY OF BURBANK
NON-GENERAL FUND REVENUE SUMMARY
(Anticipated Receipts Only -- Excludes Other Sources)

	Actual 2005-06	% OF TOTAL	Adopted 2006-07	% OF TOTAL	Adopted 2007-08	% OF TOTAL
SPECIAL REVENUE FUNDS						
Proposition A, Fund 104	1,926,423	5.93%	1,752,577	8.25%	1,811,837	10.37%
Local Return - Prop A	1,699,717		1,540,000		1,570,000	
Other	226,706		212,577		241,837	
Proposition C, Fund 105	1,720,432	5.29%	1,544,000	7.27%	1,603,597	9.17%
Local Return--Prop C	1,461,715		1,300,000		1,325,000	
Other	258,717		244,000		278,597	
AQMD, Fund 106	137,339	0.42%	128,400	0.60%	133,844	0.77%
Operating Grants, Fund 121	303,239	0.93%	264,034	1.24%	268,300	1.54%
CDBG, Fund 122	2,325,687	7.16%	1,603,646	7.55%	1,630,465	9.33%
Grant-Comm Devel Block Grant	2,181,166		1,469,133		1,469,133	
Other	144,521		134,513		161,332	
Drug Asset Forfeiture, Fund 124	230,841	0.71%	152,177	0.72%	163,281	0.93%
State Gas Tax, Fund 125	2,487,677	7.65%	2,267,332	10.68%	1,974,471	11.30%
State Gas Tax	1,912,994		610,708		1,932,071	
Other	574,683		1,656,624		42,400	
Public Improvement, Fund 127	9,783,058	30.10%	7,058,539	33.24%	2,081,450	11.91%
Impact Fees-Transportation	1,397,966		425,000		1,300,000	
Impact Fees-Other	336,004		97,000		136,000	
Miscellaneous	8,049,088		6,536,539		645,450	
HOME Program, Fund 128	994,686	3.06%	875,000	4.12%	894,000	5.11%
Street Lighting, Fund 129	1,837,000	5.65%	2,116,000	9.96%	2,310,000	13.22%
YES Fund, Fund 130	829,760	2.55%	734,730	3.46%	1,273,238	7.28%
Genl City Cap Projects, Fund 370	9,925,515	30.54%	2,739,630	12.90%	3,334,000	19.07%
Total Special Revenue	\$ 32,501,657	100.0%	\$ 21,236,065	100.0%	\$ 17,478,483	100.0%

INTERNAL SERVICE FUNDS						
General Liability Insurance, Fund 530	5,798,649	20.41%	4,327,760	14.84%	4,619,760	15.01%
Workers Comp Insurance, Fund 531	5,776,441	20.33%	7,356,285	25.22%	8,067,847	26.22%
Vehicle Equip Replacement, Fund 532	8,599,907	30.26%	8,139,383	27.91%	8,791,013	28.57%
Office Equip Replacement, Fund 533	993,049	3.49%	674,487	2.31%	855,687	2.78%
Municipal Building Replacement, Fund 534	2,573,252	9.06%	2,767,166	9.49%	2,654,218	8.63%
Communication Equip, Fund 535	2,647,357	9.32%	2,897,450	9.93%	2,780,585	9.04%
Info Systems Replacement, Fund 537	2,027,260	7.13%	3,004,658	10.30%	3,002,706	9.76%
Total Internal Service	\$ 28,415,915	100.0%	\$ 29,167,189	100.0%	\$ 30,771,816	100.0%

CITY OF BURBANK
NON-GENERAL FUND REVENUE SUMMARY
(Anticipated Receipts Only -- Excludes Other Sources)

	Actual 2005-06	% OF TOTAL	Adopted 2006-07	% OF TOTAL	Adopted 2007-08	% OF TOTAL
ENTERPRISE FUNDS						
Water Reclamation/Sewer, Fund 494	13,946,550	3.41%	14,311,731	3.63%	14,842,592	3.67%
Sewer Service Charges	12,289,816		13,092,961		13,878,539	
Interest/Other	1,085,610		734,561		693,365	
Permits & Inspection	42,519		31,359		20,688	
Sewer Facilities Charge	528,605		452,850		250,000	
Golf, Fund 495	1,930,145	0.47%	1,960,064	0.50%	2,152,506	0.53%
Green Fees	1,143,939		1,087,842		1,370,604	
Electric Cart Rental	478,836		463,364		517,596	
Other	307,370		408,858		264,306	
Magnolia Power Plant, Fund 483	11,887,000		26,277,722		28,524,000	
Electric, Fund 496	349,739,000	85.49%	318,308,000	80.67%	320,256,000	79.27%
Wholesale	195,512,000		160,000,000		160,000,000	
Retail	143,487,000		146,846,000		149,133,000	
Aid in Construction	1,913,000		3,605,000		2,630,000	
Interest	2,668,000		3,678,994		2,699,000	
Miscellaneous	6,159,000		4,178,006		5,794,000	
Water Fund 497	20,077,000	4.91%	22,180,000	5.62%	25,622,000	6.34%
Potable Water Sales	16,167,000		17,858,000		19,173,000	
Reclaimed Water Sales	638,000		1,807,000		1,602,000	
Aid in Construction	915,000		1,121,000		3,547,000	
Interest	210,000		1,045,000		352,000	
Miscellaneous	2,147,000		349,000		948,000	
Refuse Collection/Disposal, Fund 498	11,529,369	2.82%	11,534,082	2.92%	12,622,661	3.12%
Residential/Apartment Collection	7,547,817		7,825,974		8,794,326	
Commercial Collections	1,132,019		1,620,717		1,647,822	
Interest/Other	1,418,588		942,242		960,364	
Gross Hauler Fees	1,139,730		875,000		950,000	
Recycling	291,215		270,149		270,149	
Total Enterprise Funds	\$ 409,109,064	100.0%	\$ 394,571,599	100.0%	\$ 404,019,759	100.0%

HOUSING AUTHORITY

Housing Vouchers, Fund 117	8,112,485	100.0%	7,421,520	100.0%	7,431,276	100.0%
Total Housing Authority	\$ 8,112,485	100.0%	\$ 7,421,520	100.0%	\$ 7,431,276	100.0%

PARKING AUTHORITY

Parking Authority Debt Svc, Fund 210	251,353	28.51%	257,844	24.29%		0.00%
Parking Authority Cap Proj, Fund 310	630,135	71.49%	803,658	75.71%	817,854	100.0%
Total Parking Authority	\$ 881,488	100.0%	\$ 1,061,502	100.0%	\$ 817,854	100.0%

PUBLIC FINANCING AUTHORITY

Public Financing Authority, Fund 320	\$ 3,578,664	100.0%			\$ 3,578,864	100.0%
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CITY OF BURBANK
NON-GENERAL FUND REVENUE SUMMARY
 (Anticipated Receipts Only -- Excludes Other Sources)

	Actual 2005-06	% OF TOTAL	Adopted 2006-07	% OF TOTAL	Adopted 2007-08	% OF TOTAL
REDEVELOPMENT AGENCY						
Golden State Debt Svc, Fund 201	17,826,335	28.16%	16,359,118	34.35%	20,610,696	33.40%
City Centre Debt Svc, Fund 202	9,631,783	15.21%	6,957,418	14.61%	8,794,653	14.25%
West Olive Debt Svc, Fund 203	8,124,608	12.83%	7,134,177	14.98%	8,084,949	13.10%
So San Fernando Debt Serv, Fund 204	1,915,307	3.03%	1,678,866	3.53%	2,200,911	3.57%
Comm Facilities Dist Debt Serv., Fund 207	6,359,379		302,438	0.64%	302,438	0.49%
West Olive Cap Projects, Fund 303	130,744	0.21%	1,982,617	4.16%	2,226,403	3.61%
Low/Moderate Housing, Fund 305	10,590,795	16.73%	6,666,009	14.00%	8,516,078	13.80%
Merged Capital Project Areas, Fund 306*	8,732,902	13.79%	6,537,962	13.73%	10,980,871	17.79%
Total Redevelopment Agency	\$ 63,311,853	100.0%	\$ 47,618,605	100.0%	\$ 61,716,999	100.0%

TOTAL NON-GENERAL FUND REVENUE	\$ 545,911,126	\$ 501,076,480	\$ 525,815,051
GENERAL FUND RECURRING REVENUE	136,009,089	129,386,232	138,715,134
TOTAL ALL REVENUE	\$ 681,920,215	\$ 630,462,712	\$ 664,530,185

*Golden State (Fund 301), City Centre (Fund 302) and South San Fernando (Fund 304) Project Areas were merged into a single area during FY 2004-05.

**SPECIAL REVENUE FUNDS / CAPITAL PROJECT FUND
REVENUE DESCRIPTIONS**

PROPOSITION A – TRANSPORTATION

Fund 104

Proposition A revenues represent the City's portion of a special Los Angeles County ½ cent Sales Tax passed by the voters in 1980. Cities are entitled to 25% of all the ½ cent revenues. Distribution to each city is pro-rated based on each city's population. These revenues are used exclusively in support of the City's Proposition A/Transportation Fund budget. Revenue growth for these funds is contingent on the County's overall sales growth.

PROPOSITION C – TRANSPORTATION

Fund 105

Proposition C revenues represent the City's portion of a special Los Angeles County ½ cent Sales Tax approved by voters in 1990. Cities are entitled to 20% of all the ½ cent revenues. Distribution to each city is pro-rated based on each city's population. These revenues are used exclusively to support the City's Proposition C/Transportation Fund budget.

AQMD FEES-TRANSPORTATION

Fund 106

The South Coast Air Quality Management District (AQMD) receives a small portion of the annual vehicle registration license fees. The AQMD remits a portion of these revenues to cities for selected anti-pollution/transportation projects. Burbank's revenues are deposited into a special **AQMD Fees–Transportation** Fund for ride-sharing and anti-pollution projects.

COMMUNITY DEVELOPMENT BLOCK GRANT

Fund 122

The Federal Department of Housing and Urban Development (HUD) created the **Community Development Block Grant (CDBG)** program to revitalize low and moderate income areas within American cities. Burbank's CDBG revenues change each year and have specific restrictions.

DRUG ASSET FORFEITURE

Fund 124

On July 1, 1996, the **Drug Asset Forfeiture** Fund was established to account for revenues and expenditures. Revenue estimates and appropriations will be made only after drug assets are seized, and the revenues are remitted to the City.

STATE GAS TAXES

Fund 125

State Gas Taxes are derived from State of California taxes on gasoline purchases and are allocated, on a share basis to cities. These revenues are broken down into Section 2105, 2106, and 2107 and are restricted and can only be used on public street construction, improvements, and/or maintenance. Another Section 2107.5, restricts revenue usage to public street engineering costs and administrative/labor expenditures.

**SPECIAL REVENUE FUNDS / CAPITAL PROJECT FUND
REVENUE DESCRIPTIONS, cont.**

DISASTER RELIEF

Fund 126

Disaster Relief monies received from various Federal, State and Regional agencies for reimbursement of City costs incurred from disasters are included in this fund. Due to the nature of the fund, no revenue is currently forecasted.

PUBLIC IMPROVEMENTS

Fund 127

This fund provides for **Public Improvements** through imposition of Development Impact Fees. Public Improvement projects included in this fund are restricted to those designated in the Infrastructure Blueprint and the Community Facilities Element. Activities are restricted to specific projects in the Community Development, Fire, Library, Park, Recreation & Community Services, and Police Departments.

HOME PROGRAM

Fund 128

This program provides Housing and Urban Development (HUD) funding to increase the affordable housing supply in the City.

STREET LIGHTING

Fund 129

In-Lieu of Taxes received from Burbank Water and Power (BWP) have up to 2% of their electric retail revenues deposited into the **Street Lighting** Fund. Most cities directly charge residents for this service through assessment districts. BWP administers the Street Lighting Fund.

YOUTH ENDOWMENT SERVICES (YES)

Fund 130

This fund provides for **Youth Endowment Services (YES)** activities. In prior years, the Redevelopment Agency provided 5% of property tax increment growth as revenue and private donations also account for a small portion of revenues. In January 1996, the YES Fund was expanded to include the City's youth employment program, Burbank Employment and Student Training (BEST). The business community has an opportunity to donate funds to pay a portion of the wages for youth employed by private businesses and non-profit organizations. Effective FY 2004-05, Management Services took over administering the YES Fund for the youth employment portion, while Park, Recreation and Community Services Department continues to manage the capital projects portion.

CAPITAL PROJECTS FUND – GENERAL CITY

Fund 370

This fund accounts for the **General City – Capital Projects**. The majority of the funding for this fund comes from contributions from the General Fund (Fund 001). Other funding sources include grants and City Redevelopment funds.

CITY OF BURBANK

Internal Service Fund Revenue Summary

Each of the seven Internal Service Funds will receive adequate revenues in FY 2007-08 to cover this year's appropriations. Internal Service Funds are used for the following purposes:

- 1) Accumulate adequate replacement funds for a variety of capital goods.
- 2) Accumulate adequate maintenance funds for a variety of capital goods.
- 3) Pay for various services provided by one department to other City departments on a cost-reimbursement basis (such as General Liability and Workers' Compensation Insurance).

Each Internal Service Fund receives its revenues via:

- 1) Premium Charges/Rental/Replacement Charges to the applicable user departments.
- 2) Interest/Other.
- 3) Transfers from other funds.

CITY OF BURBANK

Enterprise Fund Revenue Summary

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprise. The City of Burbank currently has five Enterprise Funds: Electric, Water (operated by Burbank Water and Power), Golf (operated by Park, Recreation and Community Services), Water Reclamation & Sewer (operated by Public Works), and Refuse (operated by Public Works).

Each fund must ensure that its revenues cover operating expenses (including depreciation) of providing goods and services to users/customers. Revenues may be comprised of Service Charges/Fees/Sales, Interest and Other Income.

The Electric Fund's budget highlights include: Electric system upgrades to improve reliability and efficiency; continuing work on the multi-year yard and facility plan; efforts to increase renewable energy capacity; moving the largest customers to time-of-use rates; efforts to educate the community, and implement, conservation programs; Fiber Optic System expansion; and Energy Control Center enhancements. As a result of increases in natural gas prices, an average electric rate increase of 2.5% for all customers, except Lifeline customers, has been approved and will take effect on January 1, 2008. Despite the rate increase, rates remain very competitive, both locally and regionally.

The Water Fund's budget highlights include: an approved average water rate increase of 4.8% to offset higher purchased water rates and replenish stored groundwater credits; continued system replacement to reduce losses and maintain reliability; and security improvements. BWP will also complete the connection to the Pacoima water spreading facility to facilitate water spreading and replenish groundwater credits.

The Golf Fund's budget highlights include continuing improvements of the DeBell clubhouse and golf course. The Water Reclamation & Sewer Fund's proposed budget reflects an overall sewer rate increase of 6%, and the Refuse Fund also includes a refuse rate increase of 8%. These rate increases are a necessary due to increased costs to the funds.

CITY OF BURBANK

Redevelopment Agency Revenue Summary

The Redevelopment Agency has a total of seven funds: two Project Area Capital Projects Funds, four Project Area Debt Service Funds and one Low/Moderate Income Housing Capital Projects Fund. Each fund will have adequate revenues to cover operational expenditures and/or debt service obligations.

The primary financing tool available to the Redevelopment Agency is the *tax increment*, as authorized under California law. When a redevelopment project area is first formed, the property tax values at the time of project area formation are frozen, and serve as the “base year” property tax values. When property values increase, through the normal course of redevelopment, the values in excess of the base year are deemed to be the incremental assessed value. Thus, incremental property tax revenues are derived from this incremental assessed value increase.

Since 1977, redevelopment agencies have been required to set aside twenty percent (20%) of their incremental property tax revenues into a fund (Fund 305) to be used solely for low and moderate housing development.

Other sources of Agency revenue include land sale proceeds, developer advances, lease revenues, interfund transfers, and interest/investment earnings.

CITY OF BURBANK

Housing Authority Revenue Summary

The Burbank Housing Authority was formed in 1975 to administer the Section 8 Rental Assistance Program that is funded by the United States Department of Housing and Urban Development (HUD). This Program provides rent subsidy payments directly to landlords on behalf of eligible tenants. The Section 8 Program provides an additional resource for assisting very low-income renters in Burbank.

CITY OF BURBANK

Parking Authority Revenue Summary

The Parking Authority has one Capital Projects Fund and one Debt Service Fund. The Debt Service Fund paid off the 1991 bonds during FY 2006-07. Parking revenues are expected to remain constant from last fiscal year. In addition, AMC Theaters provide funds to offset downtown parking structure maintenance costs. The Public Works Department administers the Parking Authority Fund.

CITY OF BURBANK

Public Financing Authority Revenue Summary

The Public Financing Authority purchased a portion of the Golden State Redevelopment Project Tax Allocation Bonds, 1993 Series A. Those bonds provided funds for the acquisition and construction of various projects within the area. Revenue for this fund is transferred from the Golden State Redevelopment Agency.